

## FACT #4

U.S. farm policy is important to national security, ensuring a safe, abundant, and affordable domestic food supply, and vital to a strong rural and urban economy, with the food and fiber industry creating 25 million jobs, producing \$3.5 trillion in output, and accounting for 15% of U.S. Gross Domestic Product.

*The abundance of safe and affordable food should be a source of comfort and security.*

It is dangerous and wrong to believe that, because America has been blessed, our Nation is now immune from hardships, whether caused by nature or manmade.

***The benefits of U.S. farm policy do not stop at the door of farm families who receive direct help, but support both rural and urban economies, with the food and fiber industry creating 25 million jobs, producing \$3.5 trillion in output, and accounting for 15% of U.S. Gross Domestic Product – larger than the construction, transportation, and utilities industries combined.***

*U.S. farm policy critics call for an end to the chief means of rural development without offering any alternative, either because these critics know government cannot create viable businesses out of whole cloth to replace production agriculture, or because they are content to leave rural communities to die on the vine.*

Under today's budget constraints it is hard to imagine a scenario in which additional resources would be available to help rural America finance new businesses and replace the millions of lost jobs due to the exodus of production agriculture. It would be too costly, especially when less than 40% of new businesses actually stay in business.

*U.S. farm policy critics either forget or ignore that the economic collapse in rural America resulting from an end to U.S. farm policy would cause economic aftershocks in nearby cities.*

For example, an article in *The Economist*, dated May 12, 2001, noted that the city of Chicago suffered in the 1980s when the region was hit by a "crushing combination" of factors including a farm recession. Imagine the repercussions to cities such as Chicago if U.S. farm policy was eliminated.

*U.S. farm policy critics also forget or ignore the thousands of public schools, hospitals, and other important community facilities whose construction and maintenance are largely financed through property and sales taxes paid by farmers and ranchers.*

Imagine the further consolidation of schools and even less access to rural health care in the absence of U.S. farm policy.

*House Agriculture Committee Chairman Larry Combest and Ranking Member Charlie Stenholm pressed for passage of the 2002 Farm Bill because of its importance to the U.S. economy.*

